



HF 198 – Home and Community-Based Services Staff Training (LSB 1274HV)
Analyst: Jess Benson (Phone: (515) 281-4611) (jess.benson@legis.iowa.gov)
Fiscal Note Version – New
Requested by Representative Mark Costello

Description

House File 198 requires the Department of Human Services (DHS) to adopt administrative rules to allow reasonable staff training costs for Home and Community-Based Services (HCBS) providers to be reimbursable as direct costs. The reimbursement of reasonable costs is to include reimbursement for costs associated with the Learning Management System utilized under the College of Direct Support training program.

Background

The DHS currently reimburses provider training costs as indirect costs that are capped. By changing reimbursement to direct costs, the cap on these expenditures would effectively be removed. The Department is currently contracting with an entity to provide training for HCBS waiver providers, including access to the College of Direct Support.

Assumptions

- Under the current contract for training, the DHS is estimated to spend \$1.1 million each year on training costs in FY 2014 and FY 2015, including:
 - \$308,600 from the General Fund
 - \$308,600 from federal funds
 - \$461,800 from the federal Money Follows the Person rebalancing funds
- Total training costs will be approximately \$1.1 million total dollars for FY 2014 and FY 2015 if reimbursed as a direct cost.
- The current HCBS training contract will be eliminated and training costs will be reimbursed only as a direct cost on the cost report.
- Money Follows the Person funds will no longer be used once training costs are reimbursed as a direct cost.
- The State Federal Medical Assistance Percentage (FMAP) rate is 41.79% for FY 2014 and 42.22% for FY 2015.

Fiscal Impact

Changing the HCBS training cost reimbursement from an indirect cost to a direct cost is estimated to cost the General Fund \$142,000 in FY 2014 and \$147,000 in FY 2015.

Source

Department of Human Services

/s/ Holly M. Lyons

February 14, 2013

The fiscal note for this bill was prepared pursuant to **Joint Rule 17** and the Iowa Code. Data used in developing this fiscal note is available from the Fiscal Services Division of the Legislative Services Agency upon request.
